GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2004
ANSWERED ON:01.12.2000
INSURANCE OF MOTORS
CHANDRA NATH SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether motorists are being harassed by the Oriental Insurance Company Ltd. in Delhi in the matter of immediate inspection of the accidental vehicles and there is inordinate delay in making the payment of the claim preferred after permission from the insurance company;

(b) if so, the number of such complaints received by the company, branch-wise, in Delhi during the last three years and the action taken thereon by the Government;

(c) the time limit fixed for settlement of cases of motor accidents and theft;

(d) the reasons for the delay in inspection and settlement of the claims and the steps taken to check the same henceforth;

(e) whether full reimbursement of the cost of vehicle, road taxes and other fittings is not given to the motor owner in case of its theft;

(f) if so, the reasons therefor; and

(g) the steps taken to make full payment to the motorist?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (c): Oriental Insurance Co. Ltd.(OIC) has informed that on intimation of the accidental claim, a surveyor is immediately appointed to inspect the vehicle and assess the loss. The claims are expected to be settled within 30 days of completion of all requirements including submission of all relevant documents. On receipt of all documents, including the survey report, the motor claims are generally being settled within the prescribed time limit.

(b): The company has informed that they have not received any complaint regarding delayed payment or delayed appointment of surveyor.

(d): Generally, there is no delay in settlement of claims. Claims are expeditiously settled on completion of all requirements by the insured. The industry has, from time to time, initiated several measures for expeditious settlement of claims. These include settlement through Lok Adalats & Jald Rahat Yojna, simplification and standardisation of claims settlement procedures, setting up of permanent claims review Committees at regional offices, etc. However, there is always a scope for improvement and efforts are being made in that direction.

(e) to (g): The reimbursement is made upto market value or insured value whichever is less. Road Tax is not payable as not covered under the policy, but, fittings, if insured, are reimbursable.